

ANNUAL REPORT

of the

**DETROIT AND MACKINAC
= RAILWAY COMPANY**

**FOR THE FISCAL YEAR ENDED DECEMBER 31st
1941**

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ANNUAL REPORT
of the
**DETROIT AND MACKINAC
RAILWAY COMPANY**

FOR THE FISCAL YEAR ENDED DECEMBER 31st
1941

DETROIT AND MACKINAC RAILWAY COMPANY

DIRECTORS AND OFFICERS

BOARD OF DIRECTORS

CHARLES A. PINKERTON	East Tawas, Mich.
ELIZABETH P. McHARG	Ridgefield, Conn.
EDWIN G. MERRILL	New York, N. Y.
MICHAEL W. CARROLL	Bay City, Mich.
EDWARD REISER	Saginaw, Mich.

OFFICERS

CHARLES A. PINKERTON, <i>President and General Manager</i>	Tawas City, Michigan
GEORGE J. BERGEVIN, <i>Vice-President and Auditor</i>	Tawas City, Michigan
N. W. SALSBERY, <i>Secretary and Treasurer</i>	Tawas City, Michigan
R. W. HICKEY, <i>Purchasing Agent</i>	Tawas City, Michigan
CARL R. HENRY, <i>General Counsel</i>	Alpena, Michigan
R. J. McMULLEN, <i>Superintendent and Traffic Manager</i>	Alpena, Michigan

FISCAL AND TRANSFER AGENTS

J. P. Morgan & Company	New York, N. Y.
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REGISTRAR OF STOCK

Central Hanover Bank and Trust Company	New York, N. Y.
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ANNUAL MEETING

The last Tuesday in April is the date of Annual Meeting of Stockholders

General Office (in Michigan)	Tawas City, Michigan
General Office (outside of Michigan)	25 Broadway, New York, N. Y.

COLEGROVE, MURPHY & TREPANIER
CERTIFIED PUBLIC ACCOUNTANTS
LAFAYETTE BUILDING
DETROIT

ALBERT M. COLEGROVE, C. P. A.
HARRY L. MURPHY, C. P. A.
J. C. TREPANIER, C. P. A.

February 20, 1942

Mr. George J. Bergevin,
Vice-President and Auditor,
Detroit and Mackinac Railway Company,
Tawas City, Michigan.

Dear Sir:

Pursuant to your request, we have made a cash audit of the accounts of the Detroit and Mackinac Railway Company for the year ended December 31, 1941, and herewith present statements showing the result of the operation of your company for the period under review.

We certify that, according to the books and records, the attached balance sheet reflects the true financial condition of your company as at December 31, 1941, and the accompanying schedules are a correct expression of the results of your operations for the year ended on that date.

Very truly yours,

COLEGROVE, MURPHY & TREPANIER,
By J. C. Trepnier,
Certified Public Accountant.

REPORT OF THE PRESIDENT TO THE STOCKHOLDERS
OF THE
DETROIT AND MACKINAC RAILWAY COMPANY

Tawas City, Mich., Feb. 3, 1942.

To the Stockholders:

Freight revenue was \$723,024.72, a decrease of \$6,906.39. Total operating revenue was \$845,559.26, a decrease of \$4,121.45. Freight revenue reflects the loss of the paper and garment industries at Alpena, and the temporary closing down of the gypsum plant at Alabaster, however, increases in other commodities about balanced these losses.

Passenger revenue was \$27,976.42, an increase of \$2,372.33. While this increase is small, it may mean the end of the decrease in passenger business.

Operating expenses increased \$19,663.31, or 3.1 percent. The ratio of operating expenses to revenues was 76.1 percent, an increase of 2.7 percent. The ratio of transportation expenses to operating revenues was 37.1 percent. To fuel, material and wage increases is attributed the increase in operating expenses.

Your Company's equipment, roadway, track and structures were maintained in good condition throughout the year.

During the year three and one-half track miles of relaying 90 pound rail was placed in Main Line in the vicinity of Omer. The 85 pound rail recovered was reconditioned and three track miles placed in main track between Cathro and Posen, the balance being on hand for replacements. Additional ballast was applied to track on North Division and several points on South Division, including North Bay City Yard.

Railway tax accruals continue to be a large item of expense and a heavy burden on the revenues of your Company.

The death of your former President and Director, Mr. Henry K. McHarg, on January 27th, 1941, was a very definite loss to your Company. Appropriate resolutions were adopted by your Board of Directors and were spread upon the minute books of your Company, and copies of such resolutions were sent to Mr. McHarg's family.

Through the death of Mr. James B. Mabon, Director, on March 10th, 1941, your Company suffered a great loss, in recognition of which an appropriate resolution adopted by your Board of Directors was spread upon the minute books of the Company, and a copy of such resolution sent to Mr. Mabon's family.

Mr. James McNeil, Assistant Secretary, Assistant Treasurer, and Director of your Company, presented his resignation, which was accepted with sincere regret and made effective April 22nd, 1941. I regret to report the death of Mr. McNeil on October 25th, 1941, since the last meeting of the Board of Directors.

To fill the vacancies thus created, Mrs. Elizabeth P. McHarg, of Ridgefield, Conn., was elected a Director on February 14th, 1941. Mr. Michael W. Carroll, of Bay City, Mich., and Mr. Edward Reiser, of Saginaw, Mich., were elected Directors on October 10th, 1941. Mr. Charles A. Pinkerton was elected President of your Company on February 14th, 1941. Mr. George J. Bergevin was elected Second Vice-President of your Company on October 10th, 1941.

The Board wishes to express its appreciation of the loyal and efficient service of officers and employees of the Company during the year.

For the Board of Directors,

C. A. PINKERTON,
President.

DETROIT AND MACKINAC RAILWAY COMPANY

Tawas City, Mich., Jan. 24, 1942

CHARLES A. PINKERTON, ESQ.,
President.

Dear Sir:

I herewith submit statements of the General Accounts and tables showing the result of operations of the Detroit and Mackinac Railway Company for the fiscal year ended December 31st, 1941, as follows:

TABLE A—Condensed General Balance Sheet.

TABLE B—Income Account.

TABLE C—Particulars of Bonded Debt.

TABLE D—Comparative Financial Statement.

TABLE E—Revenues and Expenses by years.

TABLE E-1—Net Revenue from Railway Operations and Tax Accruals by Years.

TABLE F—Details of Operating Expenses.

TABLE G—Mileage.

TABLE H—Classification of Freight Tonnage, 1940 and 1941.

TABLE I—Statistics for Years 1940 and 1941.

TABLE J—Equipment.

TABLE K—Yard Tracks, Sidings and Spurs built and taken up during year.

Respectfully,

GEORGE J. BERGEVIN,

Vice-President and Auditor.

TABLE A

DETROIT AND MACKINAC RAILWAY COMPANY

CONDENSED GENERAL BALANCE SHEET AS OF DECEMBER 31, 1941, AND COMPARISON WITH
 GENERAL BALANCE SHEET AS OF DECEMBER 31, 1940, SHOWING INCREASE OR DECREASE

ASSETS				
	Items	Total	Increase	Decrease
<i>Investments:</i>				
Investment in Road and Equipment.....	\$7,100,789.83			
Miscellaneous Physical Property.....	39,636.09			\$46,986.60
Investments in Affiliated Companies.....	4,224.26			1,100.99
Deposits in Lieu of Mortgage Property Sold.....	185.00			1,689.71
7 Current Assets:				
Cash.....	167,507.19			\$31,429.28
Special Deposits—J. P. Morgan Coupon Account.....	9,160.00			5,820.00
Traffic and Car Service Balances Receivable.....				9,063.31
Net Balances Receivable from Agts. and Conductors.....	17,544.49			238.37
Miscellaneous Accounts Receivable.....	23,495.80			3,564.31
Material and Supplies.....	181,762.72			
Other Current Assets.....	74.33			
Deferred Assets:				
Working Fund Advances.....	567.54			300.00
Unadjusted Debits:				
Insurance Premiums Paid in Advance.....	2,745.11			
Other Unadjusted Debits.....	5,960.00			
Total.....				
				\$23,501.10

TABLE A—(Continued)

	Items	Total	Increase	Decrease
Capital Stock:				
Common Stock	\$2,000,000.00			
Preferred Stock	950,000.00			

Grants in Aid of Construction:				
Long Term Debt:				
First Lien Bonds	\$1,476,000.00			
Held in Treasury	104,000.00			

Outstanding				
Mortgage Bonds	\$1,750,000.00			
Pledged as Collateral	500,000.00			

Outstanding				
	1,250,000.00			
Non-Negotiable Debt to Affiliated Companies:				
Current Liabilities:				
Traffic and Car Service Balances Payable	47,399.86			
Audited Accounts and Wages Payable	45,427.04			
Miscellaneous Accounts Payable	4,210.88			
Interest Matured Unpaid	9,160.00			
Unmatured Interest Accrued	9,323.34			
Accrued Tax Liabilities	25,546.25			
Other Current Liabilities	5,997.48			

Deferred Liabilities:				
Matured Interest in Default	25,000.00			
Other Deferred Liabilities	2,620.80			

Unadjusted Credits:				
Accrued Depreciation—Road	133,576.04			
Accrued Depreciation—Equipment	827,457.14			
Other Unadjusted Credits	773.00			

Corporate Surplus:				
Additions to Property through Income and Surplus	1,856,947.06			
Profit and Loss—Debit Balance	1,187,099.63			

Total				
	\$7,553,652.36			

	\$23,501.10			

	27,637.56			

TABLE B

DETROIT AND MACKINAC RAILWAY COMPANY
INCOME ACCOUNT, DECEMBER 31, 1941, COMPARED WITH FISCAL YEAR ENDED DECEMBER 31, 1940

	1941	1940	Increase	Decrease
Freight	\$ 723,024.72	\$ 729,931.11	\$ 2,372.33	\$ 6,906.39
Passenger	27,976.42	25,604.09		
Excess Baggage	23.63	29.21		5.58
Mail	43,052.76	42,811.67	241.09	
Express	12,411.15	13,015.06		603.91
Other Passenger Train	1,634.07	1,157.34	476.73	
Milk	7,326.17	7,426.48		100.31
Switching	21,983.41	22,692.84		709.43
Station, Train and Boat Privileges	83.19	74.98	8.21	
Parcel Room	3.10	4.90		1.80
Storage—Freight	515.51	380.95	134.56	
Demurrage	760.10	822.30		62.20
Telegraph and Telephone	109.10	105.51	3.59	
Rents of Buildings and Other Property	5,099.80	4,441.08	658.72	
Miscellaneous	1,541.01	1,162.05	378.96	
Joint Facility—Cr.	15.12	21.14		6.02
Total Operating Revenues	<u>\$ 845,559.26</u>	<u>\$ 849,680.71</u>		<u>\$ 4,121.45</u>
OPERATING EXPENSES				
Maintenance of Way and Structures	\$ 146,977.75	\$ 139,608.68	\$ 7,369.07	
Maintenance of Equipment	134,316.46	141,278.86		\$ 6,962.40

TABLE B—(Continued)

		1941	1940	Increase	Decrease
Traffic		\$ 10,285.54	\$ 11,332.30		\$ 1,046.76
Transportation—Rail Line		313,337.26	298,028.18	\$15,329.08	191.30
Miscellaneous Operations		43.51	234.81		
General		39,956.76	37,513.71	2,443.05	
Transportation for Investment—Cr.		1,614.93	4,367.50		2,722.57
 Total Operating Expenses		 \$ 643,292.35	 \$ 623,629.04	 \$19,663.31	 23,784.76
Net Operating Revenue		202,266.91	226,051.67		
Railway Tax Accruals		41,753.56	41,753.93		
 Railway Operating Income		 \$ 160,491.35	 \$ 184,297.74	 \$ 23,806.39	
Income from Lease of Road and Equipment		1,868.33	1,813.87		
Miscellaneous Rent Income		2,098.78	2,320.54		
Miscellaneous Non-Operating Physical Property		976.21	996.04		
Miscellaneous Income		141.50	127.83		
Equipment Rents		53,565.74	51,379.67		
Joint Facility Rents		989.46	2,279.21		
 Total Income		 \$ 111,020.97	 \$ 135,897.14	 \$ 24,876.17	
Miscellaneous Rents		34.50	30.00	4.50	
Miscellaneous Tax Accruals		1,084.89	1,084.92		.03
Interest on Funded Debt		111,813.89	113,221.66		1,407.77
Interest on Unfunded Debt		4.12	22.23		18.11
Miscellaneous Income Charges		1,936.54	1,911.80		44.74
 Income Balance Transferred to Profit and Loss		 \$ 3,872.97	 \$ 19,626.53	 \$ 23,499.50	

†Debit. *Deficit.

TABLE B—(Continued)

DETROIT AND MACKINAC RAILWAY COMPANY

PROFIT AND LOSS ACCOUNT

Debit Balance, January 1, 1941.....	\$ 1,159,462.07
Debit Balance Transferred from Income.....	3,872.97
Miscellaneous Credits	\$ 1,093.33
Debits from Retired Road and Equipment.....	22,316.34
Miscellaneous Debits	2,541.58
Debit Balance Carried to Balance Sheet.....	1,187,099.63
	<hr/>
	\$ 1,188,192.96
	<hr/>
	\$ 1,188,192.96

TABLE C

PARTICULARS OF BONDED DEBT

Class of Bonds	Amount Outstanding	INTEREST		Interest Accrued During Year	Principal Due
		Rate	When Payable		
First Lien	\$1,372,000.00	4%	June and December	\$ 54,880.00	June 1, 1995
Mort.	1,250,000.00	4%	June and December	50,000.00	June 1, 1995
				\$104,880.00	
\$2,622,000.00					

TABLE D
DETROIT AND MACKINAC RAILWAY COMPANY
COMPARATIVE FINANCIAL STATEMENT

CURRENT ASSETS	Dec. 31, 1939	Dec. 31, 1940	Dec. 31, 1941
Cash	\$ 174,040.33	\$ 136,077.91	\$ 167,507.19
Special Funds	4,540.00	3,340.00	9,160.00
Due from Station Agents and Others	33,933.81	44,842.97	41,114.62
Material and Supplies.....	178,653.64	177,317.67	181,762.72
Prepaid and Deferred Charges.....	1,998.46	5,090.15	3,312.65
Other Unadjusted Debits.....	6,925.78	6,808.97	5,960.00
Totals	\$ 400,092.02	\$ 373,477.67	\$ 408,817.18
LESS CURRENT LIABILITIES			
Audited Vouchers and Pay Rolls.....	\$ 39,917.96	\$ 54,913.91	\$ 45,427.04
Notes Payable	235,000.00	175,000.00	175,000.00
Accrued Taxes, Interest and Traffic Balances	111,990.26	106,871.70	129,258.61
Totals	\$ 386,908.22	\$ 336,785.61	\$ 349,685.65
Net Assets	\$ 13,183.80	\$ 36,692.06	\$ 59,131.53
CAPITAL ASSETS			
Cost of Road	\$ 6,033,982.69	\$ 6,040,417.15	\$ 6,025,457.35
Cost of Equipment	1,091,877.60	1,107,359.28	1,075,332.48
Miscellaneous Physical Property	40,735.52	40,737.08	39,636.09
Investments in Affiliated Companies	6,054.78	5,913.97	4,224.26
Deposits for Property Sold	60.00	185.00	185.00
Totals	\$ 7,172,710.59	\$ 7,194,612.48	\$ 7,144,835.18
REPRESENTING			
Bonds Issued—First Lien	\$ 1,372,000.00	\$ 1,372,000.00	\$ 1,372,000.00
Bonds Issued—Mortgage	1,250,000.00	1,250,000.00	1,250,000.00
Stock Issued—Common	2,000,000.00	2,000,000.00	2,000,000.00
Stock Issued—Preferred	950,000.00	950,000.00	950,000.00
Reserves	927,603.46	957,241.01	961,033.18
Grants in Aid of Construction.....	313.10	313.10	313.10
Other Unadjusted Credits	5,767.66	4,265.44	773.00
Additions to Property through Income and Surplus	1,856,947.06	1,856,947.06	1,856,947.06
Surplus	† 1,176,736.89	† 1,159,462.07	† 1,187,099.63
Totals	\$ 7,185,894.39	\$ 7,231,304.54	\$ 7,203,966.71

†Deficit

TABLE E

DETROIT AND MACKINAC RAILWAY COMPANY

REVENUES AND EXPENSES BY YEARS

REVENUES	1937 Amount	1937 Per Cent	1938 Amount	1938 Per Cent	1939 Amount	1939 Per Cent	1940 Amount	1940 Per Cent	1941 Amount	1941 Per Cent
Freight	\$768,055.12	86.74	\$760,616.55	86.64	\$748,955.10	85.42	\$729,931.11	85.91	\$723,024.72	85.50
Passenger	38,500.03	4.35	31,473.23	3.59	30,302.15	3.46	25,604.09	3.01	27,976.42	3.31
Mail	41,553.81	4.69	42,764.63	4.87	42,506.91	4.85	42,811.67	5.04	43,052.76	5.09
Express	13,701.47	1.55	9,626.87	1.10	13,847.29	1.58	13,015.06	1.53	12,411.15	1.47
Milk	9,462.96	1.07	8,771.08	1.00	8,490.46	.97	7,426.48	.87	7,326.17	.87
Other Sources	14,172.07	1.60	24,603.87	2.80	32,707.15	3.72	30,892.30	3.64	31,768.04	3.76
Total	\$885,445.46	100%	\$877,856.23	100%	\$876,809.06	100%	\$849,680.71	100%	\$845,559.26	100%
EXPENSES										
Maint. Way and Structures	\$143,950.33	20.72	\$138,121.28	21.90	\$129,267.43	20.08	\$139,608.68	22.39	\$146,977.75	22.85
Maintenance Equipment	184,640.13	26.58	139,265.15	22.09	168,761.53	26.22	141,278.86	22.65	134,316.46	20.88
Traffic	11,414.95	1.64	11,839.71	1.88	11,664.86	1.82	11,332.30	1.82	10,285.54	1.60
Transportation	313,698.78	45.16	306,232.74	48.56	299,689.50	46.56	298,028.18	47.78	313,357.26	48.71
Miscellaneous Operations	189.90	.03	128.43	.02	314.50	.05	234.81	.04	43.51	.01
General	41,531.96	5.98	36,910.16	5.85	37,093.77	5.76	37,513.71	6.02	39,956.76	6.21
Transportation for Investment—Cr.	782.19	.11	1,897.82	.30	3,128.13	.49	4,367.50	.70	1,644.93	.26
Total	\$694,643.86	100%	\$630,599.65	100%	\$643,663.46	100%	\$623,629.04	100%	\$643,292.35	100%
Net Earnings	\$190,801.60	21.55	\$247,256.58	28.17	\$233,145.60	26.59	\$226,051.67	26.60	\$202,266.91	23.92
Taxes	35,134.67	3.97	34,889.55	3.98	43,708.16	4.98	41,753.93	4.91	41,775.56	4.94
Net Earnings, less Taxes	\$155,666.93	17.58	\$212,367.03	24.19	\$189,437.44	21.61	\$184,297.74	21.69	\$160,491.35	18.98

TABLE E-1
 RAILWAY OPERATING REVENUES, EXPENSES AND TAX ACCRUALS BY YEARS
 DETROIT AND MACKINAC RAILWAY COMPANY

Year	Revenues	Expenses	Net Revenue Revenue Less Tax Accruals	Railway Tax Accruals	Net Revenue Less Tax Accruals
1930	\$1,082,774.02	\$ 959,900.99	\$122,873.03	\$ 91,649.69	\$ 31,223.34
1931	1,000,892.10	734,866.26	266,025.84	70,731.10	195,294.74
1932	759,894.83	606,788.00	153,106.83	50,001.27	103,105.56
1933	601,960.77	508,924.72	93,036.05	42,747.21	50,288.84
1934	632,904.36	514,332.73	118,571.63	* 1,733.27	116,838.36
1935	654,505.91	548,623.57	105,882.34	15,247.76	90,634.58
1936	803,484.39	605,305.79	198,178.60	21,118.51	177,060.09
1937	888,445.46	694,643.86	190,801.60	35,134.67	155,666.93
1938	877,855.23	630,599.65	247,256.58	34,889.55	212,367.03
1939	876,809.06	643,663.46	233,145.60	43,708.16	189,437.44
1940	849,680.71	623,629.04	226,051.67	41,753.93	184,297.74
1941	845,559.26	643,292.35	202,266.91	41,775.56	160,491.35

*Includes \$26,714.43 Credit Adjustment.

TABLE F

DETROIT AND MACKINAC RAILWAY COMPANY

OPERATING EXPENSES

1941 COMPARED WITH 1940

MAINTENANCE OF WAY AND STRUCTURES

	Amount	Increase	Decrease
Superintendence.....	\$ 13,489.20	\$ 946.20	
Roadway Maintenance	9,701.71		\$ 1,884.24
Bridges, Trestles and Culverts	1,146.48	645.69	
Ties	20,631.66		115.57
Rails	3,715.86	4,028.68	
Other Track Material	7,247.71	1,189.80	
Ballast	1,347.10		1,221.84
Track Laying and Surfacing	59,738.11	6,015.85	
Fences, Snowsheds and Signs	4,276.73		1,539.17
Station and Office Buildings	2,389.82		2,569.83
Roadway Buildings	810.91		57.47
Water Stations	27.65		345.59
Fuel Stations	941.28	735.31	
Shops and Enginehouses	3,933.76	1,031.67	
Telegraph and Telephone Lines.....	1,874.81	354.35	
Signals and Interlockers	619.56		85.34
Power Plants	4.80	4.80	
Power Transmission Systems	355.27	261.19	
Miscellaneous Structures	3.39		22.88
Roadway Machines	2,137.48		537.33
Small Tools and Supplies	2,091.41		325.19
Removing Snow, Ice and Sand	7,339.05	2,121.83	
Public Improvements, Maintenance	996.39		34.44
Injuries to Persons	435.29	207.75	
Insurance	1,015.93	22.78	
Stationery and Printing	239.18		43.21
Other Expenses	79.72		77.35
Maintaining Joint Tracks, Yards, and Other Facilities—Dr.	949.49		976.89
Maintaining Joint Tracks, Yards, and Other Facilities—Cr.	562.00	360.49	
Totals.....	\$146,977.75	\$ 7,369.07	

TABLE F—(Continued)

MAINTENANCE OF EQUIPMENT

	Amount	Increase	Decrease
Superintendence	\$ 10,230.19		\$ 742.88
Shop Machinery	914.83	\$ 350.58	
Power Plant Machinery	615.63	76.24	
Steam Locomotives—Repairs	39,918.44		
Other Locomotives—Repairs	55.43	41.42	1,511.06
Freight Train Cars—Repairs	22,314.57		4,058.81
Passenger Train Cars—Repairs	22,835.30		2,883.10
Work Equipment—Repairs.....	2,354.83	892.30	
Miscellaneous Equipment—Repairs	312.64	86.35	
Equipment—Retirements	986.65	822.75	
Equipment—Depreciation	32,331.87	144.55	
Injuries to Persons	185.40	18.13	
Insurance	496.25		58.61
Stationery and Printing	216.78		272.50
Other Expenses	803.27	61.94	
Maintaining Joint Equipment—Dr.....	178.32		6.16
Maintaining Joint Equipment—Cr.....	433.94		81.46
Total.....	\$134,316.46		\$ 6,962.40

TRAFFIC

Superintendence	\$ 6,266.33		\$ 494.63
Advertising	462.35	\$ 237.43	
Traffic Associations	1,044.45		174.29
Insurance	37.87	18.49	
Stationery and Printing	2,474.54		633.76
Total	\$ 10,285.54		\$ 1,046.76

TRANSPORTATION—RAIL LINE

Superintendence	\$ 19,125.39	\$ 374.33	
Dispatching Trains	3,700.89		\$ 621.76
Station Employees	47,736.96		1,527.41
Weighing, Inspection and Demurrage			
Bureaus	507.82		10.84
Station Supplies and Expenses.....	3,247.90		298.04
Yardmasters and Yard Clerks	6,965.52	1,324.00	
Yard Conductors and Brakemen.....	11,116.91	1,932.03	
Yard Enginemen	8,474.62	1,057.73	
Yard Switching Fuel	9,811.92	2,034.38	
Water for Yard Locomotives	457.11	67.67	
Lubricants for Yard Locomotives.....	232.18		10.95
Other Supplies for Yard Locomotives.....	73.90		25.89
Enginehouse Expenses—Yard	5,734.31	535.87	
Yard Supplies and Expenses.....	694.77		211.57
Train Enginemen	30,438.32	1,902.26	
Train Motormen	5,970.57		1,103.16
Train Fuel	57,368.04	3,623.63	
Water for Train Locomotives	1,765.22	82.71	
Lubricants for Train Locomotives.....	1,370.69		100.73
Other Supplies for Train Locomotives.....	374.86		146.44
Enginehouse Expenses—Train	29,233.93	2,266.53	
Trainmen	39,127.66		300.86

TABLE F—(Continued)

	Amount	Increase	Decrease
Train Supplies and Expenses	\$ 11,651.77	\$ 459.74	
Signal and Interlocker Operation	620.47	238.84	
Crossing Protection			\$ 25.05
Drawbridge Operation	2,916.86	165.68	
Telegraph and Telephone Operation.....	2,576.45		623.16
Stationery and Printing	2,504.41	230.47	
Other Expenses	1,744.68	342.99	
Insurance	368.14		37.41
Clearing Wrecks	2,146.07	1,792.57	
Damage to Property	57.04	32.04	
Damage to Live Stock on Right of Way....	60.96		57.03
Loss and Damage—Freight	2,063.61	896.63	
Loss and Damage—Baggage			4.98
Injuries to Persons	2,509.88	2,024.00	
Operating Joint Yards and Terminals—Dr.	6,831.08		267.95
Operating Joint Yards and Terminals—Cr.	5,925.55	185.36	
Operating Joint Tracks and Facilities—Dr.	1,238.01		433.79
Operating Joint Tracks and Facilities—Cr.	1,536.11	62.64	
Total.....	\$313,357.26	\$ 15,329.08	

MISCELLANEOUS OPERATIONS

Dining and Buffet Service.....	\$ 43.51	\$ 191.30
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GENERAL

Salaries and Expenses of General Officers.....	\$ 10,359.71	\$ 979.46
Salaries and Expenses of Clerks and Attendants	22,115.65	444.11
General Office Supplies and Expenses.....	701.89	\$ 106.26
Law Expenses	3,483.11	1,244.43
Insurance	130.10	.88
Pensions	4.77	.09
Stationery and Printing	1,360.65	201.28
Valuation Expenses35
Other Expenses	1,800.88	83.73
Totals.....	\$ 39,956.76	\$ 2,443.05

SUMMARY

Maintenance of Way and Structures.....	\$146,977.75	\$ 7,369.07
Maintenance of Equipment	134,316.46	\$ 6,962.40
Traffic	10,285.54	1,046.76
Transportation—Rail Line	313,357.26	15,329.08
Miscellaneous Operations	43.51	191.30
General	39,956.76	2,443.05
Transportation for Investment—Cr.....	1,644.93	2,722.57
Total Operating Expenses.....	\$643,292.35	\$ 19,663.31

TABLE G

DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF MILEAGE, DECEMBER 31, 1941

MAIN LINE

North Bay City to Cheboygan	195.10
One-half Undivided Ownership—Foss to North Bay City.....	.26

BRANCHES

Omer to AuGres	7.95
National City to Prescott	12.26
Alabaster Junction to Alabaster	4.27
Hillman Junction to Emerson	10.38
Rogers City Junction to Rogers City	14.33
<hr/>	
Total	49.19
Total Main Line and Branches	244.55
Yard Tracks and Sidings	60.36
<hr/>	
Total, all Tracks (miles)	304.91

TABLE H

DETROIT AND MACKINAC RAILWAY COMPANY

CLASSIFICATION OF FREIGHT TONNAGE

<i>Products of Agriculture:</i>	1941 Tons	Per Cent	1940 Tons	Per Cent
Grain	1,349	.2	1,207	.2
Flour	2,677	.4	2,692	.4
Other Mill Products	1,274	.2	1,103	.1
Hay and Straw	1,953	.3	2,707	.4
Potatoes	5,606	.8	2,452	.3
Fruits and Vegetables	4,937	.6	4,449	.6
Sugar Beets	16,371	2.3	17,980	2.4
Other Products of Agriculture	1,840	.3	1,344	.2
<hr/>				
Totals.....	36,007	5.1	33,934	4.6

TABLE H—(Continued)

<i>Animals and Products:</i>	1941 Tons	Per Cent	1940 Tons	Per Cent
Live Stock	433	.1	484	.1
Wool	66		239	
Hides and Leather	891	.1	20	
Other Animals and Products	861	.1	938	.1
 Totals.....	 2,251	 .3	 1,681	 .2
 <i>Products of Mines:</i>				
Anthracite Coal	620	.1	693	.1
Bituminous Coal	30,176	4.3	27,301	3.7
Coke	1,435	.2	1,684	.2
Clay, Gravel, Sand and Stone	388,926	54.7	386,423	52.2
Petroleum—Crude	4,142	.6	29,816	4.1
Other Products of Mines	1,493	.2	3,232	.4
 Totals.....	 426,792	 60.1	 449,149	 60.7
 <i>Products of Forests:</i>				
Pulp Wood	9,669	1.4	11,435	1.5
Lumber, Shingles and Lath	11,460	1.6	12,645	1.7
Other Products of Forests	1,952	.2	3,424	.5
 Totals.....	 23,081	 3.2	 27,504	 3.7
 <i>Manufactures and Miscellaneous:</i>				
Refined Petroleum and its Products.....	36,920	5.2	40,757	5.5
Sugar	222		189	
Rails and Fastenings	1,089	.2	188	
Bar and Sheet Iron, Structural Iron, and Iron Pipe	6,288	.9	4,078	.5
Castings, Machinery and Boilers.....	2,779	.4	3,227	.4
Cement	5,202	.7	26,701	3.6
Brick and Artificial Stone	3,005	.4	1,971	.3
Lime and Plaster	39,204	5.5	27,016	3.7
Building Paper and Prepared Roofing Material	1,794	.3	1,318	.2
Beverages	40		81	
Fertilizers (all kinds)	2,506	.4	767	.1
Newsprint and Printing Paper.....	8,064	1.1	8,660	1.2
Chemicals and Explosives	1,132	.2	855	.1
Canned Goods (all canned food products)....	632	.1	662	.1
Paper Bags and Wrapping Paper	2,041	.3	8,569	1.2
Paperboard, Pulpboard and Wallboard.....	6,042	.8	5,419	.7
Other Manufactures and Miscellaneous.....	95,819	13.5	87,340	11.8
 Totals.....	 212,779	 30.0	 217,798	 29.4
All L. C. L. Freight.....	9,576	1.3	10,020	1.4
 Grand Total, Carload and L. C. L. Traffic	 710,486	 100%	 740,086	 100%

TABLE I
DETROIT AND MACKINAC RAILWAY COMPANY
FREIGHT STATISTICS

	1941	1940
Number tons revenue freight carried.....	710,486	740,086
Number tons non-revenue freight carried.....	24,651	26,725
Total number tons of freight carried.....	735,137	766,811
Number revenue tons carried one mile.....	52,809,000	50,908,000
Number all tons carried one mile.....	54,719,000	52,948,500
Number revenue tons carried one mile, per mile of road	218,147	210,294
Number tons all freight carried one mile, per mile of road	226,024	218,723
Average distance haul of one ton revenue freight (miles)	74.31	68.79
Average distance haul of one ton all freight (miles)	77.01	69.05
Total freight revenue	\$ 723,024.72	\$ 729,931.11
Average amount received for each ton of freight	1.0176	.98628
Average receipts, per ton, per mile.....	.01369	.01434
Freight revenue, per mile of road.....	2,986.71	3,015.24
Freight revenue, per train mile.....	4.64	4.99
Average number of revenue tons, per train mile.....	456.56	347.93
Average number of all tons, per train mile.....	472.40	361.88
Average number of all tons, per loaded car mile.....	28.1	27.5
Average number of cars, per train mile.....	20.2	21.8

PASSENGER STATISTICS

Number of passengers carried.....	19,951	17,871
Number of passengers carried one mile.....	1,600,100	1,405,700
Number of passengers carried one mile, per mile of road	6,610	5,807
Average distance each passenger carried (miles)	80.20	78.65
Passenger revenue	\$ 27,976.42	\$ 25,604.09
Average amount received from each passenger..	1.40	1.43
Average receipts, per passenger, per mile.....	.0175	.0182
Total passenger train earnings.....	\$ 92,424.20	\$ 90,043.85
Passenger earnings per mile of road.....	381.79	371.96
Passenger earnings, per train mile.....	.60	.50
Average number of passengers, per train mile....	10.3	7.75

OPERATING STATISTICS

Gross revenue from operation.....	\$ 845,559.26	\$ 849,680.71
Gross revenue from operation, per mile of road	3,492.80	3,509.92
Operating expenses	643,292.35	623,629.04
Operating expenses, per mile of road.....	2,657.36	2576.14
Operating expenses, per train mile.....	2.07	1.90
Net operating revenue	202,265.91	226,051.67
Net operating revenue, per mile of road.....	835.53	933.79
Ratio of expenses to earnings	76.10	73.40

TABLE J

DETROIT AND MACKINAC RAILWAY COMPANY
EQUIPMENT

	1940	1941
<i>Locomotives:</i>		
Passenger	5	5
Freight	11	11
Switching	5	5
Totals	21	21
<i>Passenger Cars:</i>		
Coaches	5	3
Cafe	1	1
Parlor	1	1
Gas Electric Combination Passenger, Baggage and Mail	2	2
Combination Passenger and Baggage.....	4	3
Combination Baggage and Mail.....	2	2
Baggage and Express Cars	16	15
Express Refrigerators	9	9
Totals	40	36
<i>Freight Cars:</i>		
Box	195	195
Flat	41	41
Coal Cars	55	55
Refrigerators	6	1
Caboose Cars	10	9
Totals	307	301
<i>In Company's Service:</i>		
Officers	1	1
Ballast	3	3
Derrick Cars	1	1
Flangers	11	11
Snow Plow	1	1
Jordon Spreader	1	1
Industrial Crane	1	1
Other Road Cars	80	75
Totals	99	94
<i>Summary:</i>		
Total Number of Locomotives Owned.....	21	21
Total Number of Cars Owned.....	446	431

TABLE K

DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF TRACKS BUILT AND TAKEN UP
DURING YEAR 1941

TRACKS BUILT

Track Order	YARD TRACKS, SIDINGS AND SPURS	Location	Feet
1943	Track 1.....	Umstead	661
1951	Track 59-A.....	Alpena	141
1953	Extend Track 49.....	Alpena	60
	Total.....		862

TRACKS TAKEN UP

Track Order	YARD TRACKS, SIDINGS AND SPURS	Location	Feet
1935	Track 142.....	Ossineke	126
1942	Track 9.....	North Bay City	277
	Track 10.....	North Bay City	74
1945	Track 245.....	Cheboygan	1342
1955	Track 167.....	LaRocque	800
1961	Track 14.....	Tawas City	76
	Total.....		2755

SUMMARY

	Miles
Tracks Taken Up.....	.52
Tracks Built.....	.16
Net Decrease.....	.36

